

# Supply Chains Act Report

**hfr-tgf**

May 31<sup>th</sup> 2024



## PART 1: IDENTIFYING INFORMATION

**\* Name of government institution**

VIA HFR – VIA TGF INC. (“VIA HFR”)

**\* Financial reporting year (start date, end date)**

April 1, 2023 to March 31, 2024

**Indicate if this is a revised report**

This is not a revised report.

**Indicate if this is a report produced by a federal Crown corporation or a subsidiary of a federal Crown corporation**

VIA HFR is a subsidiary of VIA Rail Canada Inc. (VIA Rail), a federal Crown corporation, but VIA HFR acts as a parent Crown corporation under the *Financial Administration Act*, with some exceptions, pursuant to Order in Council P.C. 2022-0260.

\* If applicable, indicate the province or territory in which the Crown corporation or subsidiary is headquartered or principally located; and

VIA HFR is headquartered in Montreal, Québec.

\* If applicable, indicate all the sectors or industries in which the Crown corporation or subsidiary operate in.

- Transport
- Professional, scientific and technical services

## PART 2: REPORT CONTENTS

### 2.1 Information on the government institution’s structure, activities and supply chains

**\* Which of the following accurately describes the government institution’s activities?**

- Purchasing goods in Canada



**\* Provide additional information on the government institution's structure, activities and supply chains.**

VIA HFR was incorporated on November 29, 2022, and acts as a parent Crown corporation under the *Financial Administration Act*, with some exceptions, pursuant to Order in Council P.C. 2022-0260, with a mandate to develop and implement the High Frequency Rail project (the Project), including the design, construction, financing, operation, and maintenance of passenger rail services in Ontario and Quebec through one or more agreements with the private sector, in cooperation with the Minister of Transport.

In the near term, the Government of Canada is leading the procurement process to select a private sector developer partner for the Project. Once this partner is selected, VIA HFR will work with the partner to further advance and optimize the design and scope of the Project, a new network of mainly electrified and dedicated tracks extending over approximately 1,000 km and operating passenger rail services connecting Toronto to Québec City.

The Corporation is a wholly-owned subsidiary of VIA Rail, but it operates at arm's length from VIA Rail, is overseen by an independent Board of Directors, is funded through Government appropriations and is accountable to Parliament through the Minister of Transport.

VIA HFR became operational on July 1, 2023 only, when it formally integrated a small technical team hosted under the Canada Infrastructure Bank and all its associated professional services contracts. Since then, VIA HFR has ramped up capacity to provide advisory services for the technical and commercial aspects of the Project. As of March 31, 2024, VIA HFR had a workforce of a little less than 100 full time equivalent (FTE), comprised of employees, contract personnel and individuals still under interchange agreements with the Government of Canada and VIA Rail.

During the period from April 1, 2023 to March 31, 2024, corresponding to the Government-led procurement phase of the Project, VIA HFR's main activities were organized to achieve five objectives set out in its 2023-24 Corporate Plan (a summary of which is available on VIA HFR's website):

- 1) Establishing and operationalizing VIA HFR;
- 2) Providing expert advice and being the technical lead to the Government Office-led procurement process;
- 3) Leading select HFR-enabling activities;
- 4) Strategic advisor to the Accountable Owner (the Minister of Transport) and the supporting organization; and
- 5) Project Management.

In this context, VIA HFR purchased mostly services, in Canada and outside Canada, more specifically advisory services, which are excluded from the scope of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*. VIA HFR also purchased a minimal quantity of goods in Canada, mainly office furniture, office supplies, and IT hardware and software licenses, all of which are intended for administrative support of the activities listed above.



## 2.2 Information on the steps taken to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods produced, purchased or distributed by the government institution

\* Indicate steps taken in the previous financial year to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods produced, purchased or distributed by the government institution.

- Mapping supply chain

VIA HFR conducted a mapping of its supply chain to identify suppliers of goods and services, determine their location (which may be indicative of the origin of goods and services procured), and quantify the procurement activities attributable to goods only.

Given VIA HFR's size, its risk profile based on its main activities, and the very low aggregate value of goods purchased by VIA HFR in its first year of operation, no specific measures were taken to prevent and reduce the risk that forced labour or child labour is used at any step of the production of those goods.

Since goods were purchased in Canada, the production or import of those same goods could be the subject of a separate report submitted by the entity responsible for such production or import.

Note: Given the recent coming-into-force date of the *Supply Chains Act*, government institutions may not have measures to report on for some of the requirements. Government institutions may indicate in their report that no measures have been taken to remediate forced labour or child labour in their activities and supply chains, or that action plans have not yet been implemented, if that is the case. Doing so is sufficient to meet the government institution's legal obligations.

**If applicable, please provide additional information describing the steps taken.**

Not applicable

## 2.3 Information on the policies and due diligence processes in relation to forced labour and child labour

\* Does the government institution currently have policies and due diligence processes in place related to forced labour and/or child labour? (Yes or No)

Policies and due diligence processes specifically related to forced labour and/or child labour have not been implemented yet.



**If applicable, please provide additional information on the government institution's policies and due diligence processes in relation to forced labour and child labour**

Not applicable

**2.4 Information on the parts of its activities and supply chains that carry a risk of forced labour or child labour being used and the steps taken to assess and manage that risk**

**\* Has the government institution identified the parts of its activities and supply chains that carry a risk of forced labour or child labour being used?**

So far, in the context of its mapping exercise, VIA HFR has not identified parts of its activities and supply chain that carry a risk of forced labour or child labour being used. The analysis is centered on the types of goods purchased and the identity of tier one suppliers, but the risk identification process is ongoing.

\* If yes, has the government institution identified forced labour or child labour risks related to any of the following aspects of its activities and supply chains?

Not applicable

**\* Has the government institution identified forced labour or child labour risks in its activities and supply chains related to any of the following sectors and industries?**

So far, in the context of its mapping exercise, VIA HFR has not identified sector or industry-specific forced labour or child labour risks in its activities and supply chain.

**If applicable, please provide additional information on the parts of the government institution's activities and supply chains that carry a risk of forced labour or child labour being used, as well as the steps that the government institution has taken to assess and manage that risk.**

Not applicable

**2.5 Information on any measures taken to remediate any forced labour or child labour**

**\* Has the government institution taken any measures to remediate any forced labour or child labour in its activities and supply chains?**



Not applicable, as VIA HFR has not identified forced labour or child labour in its activities and supply chain.

**If applicable, please provide additional information on any measures the government institution has taken to remediate any forced labour or child labour**

Not applicable

**2.6 Information on any measures taken to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in the institution’s activities and supply chains**

**\* Has the government institution taken any measures to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced or child labour in its activities and supply chains?**

Not applicable, as VIA HFR has not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in its activities and supply chain.

**If applicable, please provide additional information on any measures the government institution has taken to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains**

Not applicable

**2.7 Information on the training provided to employees on forced labour and child labour**

**\* Does the government institution currently provide training to employees on forced labour and/or child labour? (Y/N)**

VIA HFR does not yet provide training to employees on forced labour and/or child labour.

**If applicable, please provide additional information on the training the government institution provides to employees on forced labour and child labour.**

Not applicable

**2.8 Information on how the government institution assesses its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains**

**\* Does the government institution currently have policies and procedures in place to assess its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains? (Yes or No)**

Currently, VIA HFR does not have policies and procedures in place to assess its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chain.

**If applicable, please provide additional information on how the government institution assesses its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains**

Not applicable